



# Risk Quick Tips . . . .

Volume 1, Issue 10  
July, 2008

## Is Risk Management Too Costly and Too Time Consuming?

Participating in the OMB strategic planning process has made the Risk Management Division aware of the need to better inform its clients about the reason for - and results of - its programs. For example, one question that was raised was if a cost/benefit analysis of the Risk Management discount requirements had been done. Others commented that there is too much paperwork required to qualify for the Division's discounts.

Risk Management bases its discount requirements on an analysis of what type of documentation can minimize the claims and lawsuits that have proven to be the most costly for the State.

Every two years an actuary reviews the financial status of the Risk Management Fund and determines the level of contribution needed to ensure the Fund remains viable for the next biennium. Since the inception of the loss control and discount programs contribution rates for the State's tort liability have been reduced from a high of \$5,334,856 to \$2,649,997 for the '09-'11 biennium. The number of third party claims have been reduced from a high of 351 to an average of 192 for the past three years; and, State entities have saved \$854,819 in contributions to the Risk Management Fund. Similarly, WSI estimates that since the inception of the Risk Management Workers Compensation Program, for the short period of

July 1, 2001 through June 30, 2007, the savings to state entities as a result of this program was \$7,096,234.

If you analyze the discount applications, you will see that the requirements for the discounts are simply best business practices and often are merely documentation of programs that state agencies have had in place for years. In most cases the only documentation that is required to qualify for the discounts is to report in the Minutes of the Loss Control Committee that the agency employees have done an annual review of established best business practices. The reason that is important is to ensure agencies don't overlook any annual training, that policies are up to date, and to provide documentation in the event a lawsuit occurs so that we can show the court that proper training had been provided or proper procedures implemented. Being able to provide that very basic information potentially could mean a lawsuit is dismissed at an early stage, saving time, money, and stress to the employees involved.

Hopefully you will agree, effective risk management is very cost effective. Thanks for all you do to assist us.

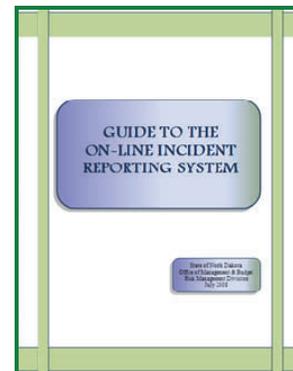
[Staff Directory](#) →

### Countdown Timer & Reset Function For On-Line Incident Reporting System

Because the On-Line Incident Reporting System is web-based, Microsoft limits the time a session can be open on the web server. Thus, the time an entry user has to report an incident through the System is also limited. That time limit has been 15-20 minutes and the entry user was not warned or notified when that time expired. Based upon request, the System has been enhanced to: (1) give the entry user notification that the reporting session is about to expire, and (2) provide an option to reset the countdown timer for the session. Click [here](#) for specifics and to see what this new function will look like.



- Based upon another request, the **Location Description** field on SFN 50508 - Risk Management Fund Incident Report will now be a required field. The above link also shows an example.
- The On-Line Incident Reporting System Instructions will be updated to reflect these changes.



[To View Guide](#) →



Annual payroll report notifications have been mailed to all state entities. WSI's Board of Directors declared a 62% premium dividend credit. Failure to submit your payroll report in a timely manner will result in forfeiture of the premium dividend credit. Your account may also be assessed a payroll penalty up to \$2,000 per North Dakota Century Code §65-04-33, if the payroll report is not received by the indicated due date.

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